

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: June 24, 2009
POSITION: Oppose

BILL NUMBER: SB 374
AUTHOR: R. Calderon

BILL SUMMARY: Personal Trainers

This bill would require a personal trainer (PT), as defined, to meet specified educational and training requirements effective January 1, 2012. This bill would impose fines for violating those requirements. This bill would also require the Department of Consumer Affairs (DCA) to accept complaints pertaining to personal trainers, refer complaints to the appropriate district attorney's office, and collect fines and distribute 50 percent of these fines to the appropriate district attorney's office.

FISCAL SUMMARY

The DCA estimates that they will receive complaints regarding approximately one percent of the PT (2,350) each year. Of which, half will result in a fine of \$500 (the amount set for a first violation) resulting in revenue of \$587,500 annually. Half of the annual revenues will be distributed to local district attorneys to investigate the complaints with the other half remaining within DCA to accept consumer complaints, refer those complaints to the district attorney, and collect the revenues. It is not clear that the proposed penalties will provide sufficient resources to support the cost of a district attorney to investigate the complaints.

The DCA estimates that they will require seven new positions to support this program at a cost of \$435,000 annually. Given the apparent workload required, it appears that these estimates are significantly overstated. In addition, the DCA has an existing consumer call center that can support the intake of complaints. Any request for additional expenditure authority is subject to review and approval through the annual budget process and will need to be evaluated in the context of the revenue available to support this workload.

COMMENTS

The Department of Finance is opposed to this measure because it could create a reimbursable state-mandated local program as the estimated revenue to support this program are unlikely to support the costs of district attorneys and the DCA.

This bill would prohibit individuals from referring to themselves as or using the title "personal trainer" unless they meet specified educational and certification requirements. This bill requires a PT to maintain accreditation or certification and requires a business hiring a PT to verify the PT is in compliance with these requirements. This bill exempts from these requirements, individuals who only provide training in a single discipline or with the use of a particular piece of equipment, and the individual does not provide advice on other aspects of physical fitness and training, as specified. Additionally, this bill would impose the following fines upon any PT not in compliance with these requirements:

- \$500 for the first violation
- \$750 for the second violation
- \$1,000 for the third violation and the person can no longer use the title of or refer to themselves as a PT.

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Analyst/Principal (0242) K. Shelton	Date	Program Budget Manager Todd Jerue	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

BILL ANALYSIS	Form DF-43 (Rev 03/95 Buff)
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AUTHOR

AMENDMENT DATE

BILL NUMBER

R. Calderon

June 24, 2009

SB 374

COMMENTS (continued)

This bill requires, upon appropriation, the DCA to do the following:

- Accept consumer complaints pertaining to PTs.
- Refer complaints to the district attorney for the county in which the PT resides for investigation.
- Collect fines and deposit them in to the Consumer Affairs Fund, transferring 50 percent to the district attorney's office in which the personal trainer resides.

		SO	(Fiscal Impact by Fiscal Year)						
Code/Department	LA	(Dollars in Thousands)							
Agency or Revenue	CO	PROP							Fund
Type	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	Code
1111/ConAfr-BurPg	SO	No		--		--	C	\$435	0494
1646/Fines & Forf	RV	No		--		--	U	\$587	0494
9680/DO NOT USE	SO	No	----- See Fiscal Summary -----						0001
<u>Fund Code</u>	<u>Title</u>								
0001	General Fund								
0494	Other - Unallocated Special Funds								